

Bond Release Findings

Mine Name: Little Indian
Operator: H & H Stone
P. O. box 250
Dove Creek, Colorado 81324

I.D. No.: S0370117
Mineral Ownership: SITLA
Surface Ownership: Private
Permit Term: Permit originally granted in 2003

Disturbed Area: 2.45 acres
Regraded: about 2 acres
Reseeded: about 2 acres

Acres Bonded: Not bonded
Acres Proposed for Release: 2.45 acres

Surety

Amount: No surety being held
Form: N/A
Renewable Term: N/A

Setting and Premining Environment

This sandstone quarry is at the head of Little Indian Canyon in the extreme eastern part of San Juan county southeast of La Sal and almost directly east of a place called Summit Point. It is within an ephemeral drainage next to a stock watering pond, and a road runs through the middle of the site. According to the original Notice of Intention and the USGS map, this road existed prior to any mining.

It appears rock was exposed through the middle of the drainage channel before any mining took place, but there was some soil farther away from the channel. The soil is sandy. The quarry is relatively flat, and the drainage channel is not incised.

Vegetation adjacent to the quarry is pinyon/juniper, but there are areas of sagebrush/grass to the west of the quarry. I assume, because of the adjacent stock watering pond, that the land was used for grazing prior to any mining, and the area also contains wildlife habitat.

Operations

The operation began in 2003 and ended in 2004 or 2005. The site was regraded and seeded in the fall of 2005.

When this operation began, the operator scraped soil from the surface and stockpiled it around the perimeter. Sandstone was quarried from near the surface, but because of durability problems, a very limited amount was mined. There were never any deep pits or highwalls. It appears the operator used a forklift or front end loader to lift the stone after which it was loaded on pallets.

Hole Plugging

No holes were drilled.

Reclamation

Reclamation was completed in the fall of 2005. Essentially no regrading was needed except to spread some waste material and soil. A portion of the site was not regraded or seeded, and the Division required that this be done or that the operator submit a reclamation surety. The operator, instead, submitted a letter from the surface owner stating that the reclamation has been done to her satisfaction.

Mine Engineering

There are no public safety issues. No highwalls were created, and for the most part, the site has been regraded to match surrounding terrain. One small area still has piles of soil and/or waste, but these are small enough that they

do not create any danger.

The operator told me verbally that the land owner wanted the piles of material left on the site, and the land owner has confirmed that reclamation was done to her satisfaction. I do not know the reason the piles are being left. They cover a small area (about ¼-½ acre).

Hydrology

The channel has been reclaimed so drainage runs over bedrock. At times during operations, the channel coming on to the site was blocked, but this material has been removed. There are no impounding structures, the channel is stable, and I have seen no signs of accelerated erosion. Since the site is relatively flat, I do not expect erosion to be a problem.

As discussed above, there is a pre-existing road that crosses the site, including the drainage. Because the channel flows over bedrock, including the portion that goes over the road, there should be no concerns with stability of the road or sediment coming from the road.

Revegetation

The postmining land uses will be grazing and wildlife habitat.

The operator spread soil over the portion of the site that was regraded. The soil is alluvial sand, and I do not expect any problems with salts or other harmful materials. The surface was left very rough with a lot of rocks.

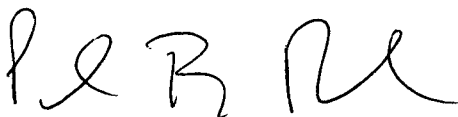
Those portions of the site that were seeded have had excellent germination. I do not know what species were used, but I have only found perennial grasses.

The site was seeded in the fall of 2005. I have not measured vegetation cover but suspect that, in those areas that were seeded, it is approximately the same as found in undisturbed areas. Since the site was seeded in the fall of 2005, it has only survived two growing seasons.

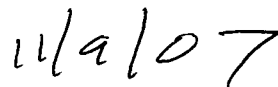
Recommendation

I recommend that the site **not** be released at this time for the following reasons:

1. The vegetation in seeded areas has not yet survived three growing seasons.
2. The operator did not regrade or reseed the entire area and did not have a variance from these requirements. Although the land owner is pleased with the reclamation work, there needs to be justification for leaving the site as it is.



Inspector



Date